Quarterly Report of
Gas Industry Operations

THIRD QUARTER 1983

AGA American Gas Association

Department of Statistics
American Gas Association
1515 Wilson Blvd., Arlington, Virginia 22209
Telephone (703) 841-8400

Part I. Gas Utility Industry Operating Trends

Income Statement

Total operating revenues for the twelve month period ending September 30, 1983 were $117,896 million, a 4.3 percent increase over the same period a year ago. At the same time, operating expenses rose 4.1 percent to $101,689 million. Total interest expense rose 2.8 percent during the period and net income rose 8.8 percent.

Prices

Average U.S. residential gas prices rose from $5.87/MMBtu in the third quarter 1982 to $6.81/MMBtu in the third quarter 1983, a 16.0 percent increase. Commercial and industrial gas prices rose 11.6 percent and 4.0 percent respectively during the same period.

Customers, Sales, Revenues

The total number of customers in the third quarter 1983 increased 0.7 percent over the third quarter 1982 to 47,914.7.

Total sales in the third quarter 1983 decreased 7.9 percent from the third quarter 1982, while the twelve months ending September 30, 1983 recorded a decrease of 14.1 percent from the twelve months ending September 30, 1982.

Third quarter 1983 total revenues decreased 0.5 percent over the third quarter 1982, while total revenues for the twelve months ending September 30, 1983 increased 2.6 percent over the same period ending September 30, 1982.

See Table 1 and Table 2 for detailed data on sales, revenues and customers.

INVESTOR-OWNED GAS UTILITY INDUSTRY INCOME STATEMENT
(Millions of Dollars)

	Twelve Months Ended 9/30/83	9/30/82	Percent Change 9/30/82 -83
Total Operating Revenues	$117,896	$113,035	+ 4.3
Operating Expenses:			
Operation Expenses	$101,689	$97,684	+ 4.1
Maintenance Expenses	1,519	1,524	- 0.3
Depreciation, Retirement, Depletion, Amortization, etc.	3,187	2,976	+ 7.1
Federal Income Taxes	2,904	2,455	+ 18.3
All Other Taxes	3,102	3,127	- 0.8
Total Operating Expenses	112,401	107,766	+ 4.3
Operating Income	5,495	5,269	+ 4.3
Other Income - Net	4,124	3,765	+ 9.5
Income Before Interest Charges	9,619	9,034	+ 6.5
Interest on Long-term Debt	2,985	2,656	+ 12.4
Other Interest Expense (Net)	613	844	- 27.4
Total Interest Expense	$ 3,598	$ 3,500	+ 2.8
Net Income	$ 6,021	$ 5,534	+ 8.8
Utility Plant Value	$ 80,780	$ 76,116	+ 6.1
Accumulated Provision for Depreciation	$ 32,312	$ 30,142	+ 7.2

Explanatory Notes

The gas utility industry is defined to be distribution and transmission companies. The income statement includes operations of mixed and manufactured gas utilities. Because this segment of the gas industry accounts for less than two percent of total operating revenues, the income statement can be considered to be representative of the natural gas utility industry.

The composite income account includes revenues from sales to ultimate consumers and from sales for resale. It should not be interpreted as a "net" or "consolidated" statement since the duplicative effect of including both pipeline sales for resale and distribution company sales to ultimate consumers has not been eliminated.

The data presented have been expanded from the reports received on the basis of their relationship to total industry data. For combination companies appropriate allocation of long-term debt interest and net income is made so that the data properly reflect the financial picture of distribution and pipeline company gas operations.

Although the composite income statement is confined to all investor-owned companies, municipal operations are included in the data for customers, sales and revenues of "Gas Utility Industry Operating Trends" reported in Part II. Totals may not equal the sum of their parts, due to independent rounding.

Table 1—Gas Utility Industry Customers, Sales and Revenues, United States, Third Quarter 1983

	Quarter Ending September 30		Percent Change	Twelve Months Ending September 30		Percent Change
	1983	1982		1983	1982	
CUSTOMERS (Thousands)						
Residential	44,154.5	43,838.7	+ 0.7	SEE		
Commercial	3,531.7	3,502.7	+ 0.8			
Industrial	183.0	186.6	- 1.9		QUARTERLY	
Other	45.5	45.3	+ 0.4			
TOTAL	47,914.7	47,573.3	+ 0.7			DATA
SALES (Trillions of Btu)						
Residential	384.3	404.6	- 5.0	4,402.6	4,845.5	- 9.1
Commercial	286.8	297.3	- 3.5	2,318.5	2,493.0	- 7.0
Industrial	1,559.4	1,722.0	- 9.4	5,797.8	7,260.2	- 20.1
Other	21.6	21.9	- 1.4	144.4	148.3	- 2.6
TOTAL	2,252.1	2,445.8	- 7.9	12,663.3	14,747.0	- 14.1
REVENUES (Thousands $)						
Residential	2,615,289	2,373,026	+ 10.2	25,374,784	22,761,007	+ 11.5
Commercial	1,568,494	1,455,680	+ 7.8	12,465,875	11,138,747	+ 11.9
Industrial	6,520,871	6,930,873	- 5.9	25,032,411	27,490,906	- 8.9
Other	94,206	90,966	+ 3.6	700,135	586,577	+ 19.4
TOTAL	10,798,860	10,850,545	- 0.5	63,573,205	61,977,237	+ 2.6

Table 2—Gas Utility Industry Customers, Sales and Revenues, By Division, Third Quarter 1983

NEW ENGLAND DIVISION

MIDDLE ATLANTIC DIVISION

EAST NORTH CENTRAL DIVISION

	NEW ENGLAND DIVISION			MIDDLE ATLANTIC DIVISION			EAST NORTH CENTRAL DIVISION		
	Quarter Ending September 30		Percent Change	Quarter Ending September 30		Percent Change	Quarter Ending September 30		Percent Change
	1983	1982		1983	1982		1983	1982	
CUSTOMERS (Thousands)									
Residential	1,623.3	1,611.5	+ 0.7	7,586.3	7,554.6	+ 0.4	10,019.1	9,989.1	+ 0.3
Commercial	126.9	125.6	+ 1.0	557.0	549.0	+ 1.5	786.1	778.5	+ 1.0
Industrial	8.9	9.0	- 1.5	23.2	23.4	- 0.8	45.8	46.4	- 1.2
Other	3.9	3.6	+ 8.4	9.8	10.2	- 2.0	3.5	3.5	+ 1.4
TOTAL	1,763.0	1,749.7	+ 0.8	8,176.3	8,137.2	+ 0.5	10,854.5	10,817.5	+ 0.3
SALES (Trillions of Btu)									
Residential	12.0	13.1	- 8.3	62.4	66.1	- 5.6	98.1	107.3	- 8.5
Commercial	16.5	16.8	- 1.9	35.7	37.9	- 5.9	53.4	55.6	- 4.0
Industrial	19.1	18.1	+ 5.8	99.5	110.2	- 9.7	200.7	205.8	- 2.5
Other	0.4	0.4	+ 7.4	3.6	3.7	- 1.7	1.7	1.5	+ 10.2
TOTAL	48.0	48.4	- 0.8	201.2	217.9	- 7.7	353.9	370.2	- 4.4
REVENUES (Thousands $)									
Residential	119,948	121,898	- 1.6	541,763	494,625	+ 9.5	633,934	582,178	+ 8.9
Commercial	96,832	98,336	- 1.5	222,948	204,897	+ 8.8	282,898	251,420	+ 12.5
Industrial	92,375	92,560	- 0.2	508,371	509,901	- 0.3	936,807	832,865	+ 12.5
Other	2,287	2,620	- 12.7	16,011	14,057	+ 13.9	7,674	5,921	+ 29.6
TOTAL	311,442	315,414	- 1.3	1,289,093	1,223,480	+ 5.4	1,861,313	1,672,384	+ 11.3

TABLE 2—CONTINUED

WEST NORTH CENTRAL DIVISION

SOUTH ATLANTIC DIVISION

EAST SOUTH CENTRAL DIVISION

	Quarter Ending September 30 1983	1982	Percent Change	Quarter Ending September 30 1983	1982	Percent Change	Quarter Ending September 30 1983	1982	Percent Change
CUSTOMERS (Thousands)									
Residential	3,811.0	3,783.4	+ 0.7	3,763.5	3,722.6	+ 1.1	1,978.8	1,970.3	+ 0.4
Commercial	387.8	388.5	- 0.2	321.6	320.0	+ 0.5	191.8	190.6	+ 0.6
Industrial	15.0	15.3	- 1.9	13.9	13.6	+ 1.9	6.6	6.8	- 2.8
Other	1.5	1.5	- 1.9	6.2	6.2	- 0.3	9.3	9.2	+ 0.9
TOTAL	4,215.3	4,188.7	+ 0.6	4,105.2	4,062.4	+ 1.1	2,186.5	2,176.9	+ 0.4
SALES (Trillions of Btu)									
Residential	33.3	33.1	+ 0.7	27.2	27.2	0.0	14.4	14.5	- 1.0
Commercial	35.8	34.1	+ 4.9	34.1	34.0	+ 0.2	12.7	12.6	+ 0.8
Industrial	91.7	85.9	+ 6.8	139.6	155.3	- 10.1	87.1	96.2	- 9.5
Other	1.1	0.9	+ 20.8	1.4	1.6	- 12.7	1.7	1.8	- 3.5
TOTAL	161.9	154.0	+ 5.1	202.3	218.1	- 7.2	115.9	125.1	- 7.4
REVENUES (Thousands $)									
Residential	210,892	182,685	+ 15.4	203,915	177,518	+ 14.9	90,738	80,850	+ 12.2
Commercial	163,162	137,376	+ 18.8	190,762	168,339	+ 13.3	64,909	59,326	+ 9.4
Industrial	355,705	313,038	+ 13.6	606,132	617,117	- 1.8	361,823	370,682	- 2.4
Other	3,145	2,912	+ 8.0	5,976	6,949	- 14.0	7,941	7,770	+ 2.2
TOTAL	732,904	636,011	+ 15.2	1,006,785	969,923	+ 3.8	525,411	518,628	+ 1.3

WEST SOUTH CENTRAL DIVISION

MOUNTAIN DIVISION

PACIFIC DIVISION

	Quarter Ending September 30 1983	1982	Percent Change	Quarter Ending September 30 1983	1982	Percent Change	Quarter Ending September 30 1983	1982	Percent Change
CUSTOMERS (Thousands)									
Residential	5,095.1	5,067.7	+ 0.5	2,556.1	2,517.3	+ 1.5	7,721.3	7,622.2	+ 1.3
Commercial	451.4	449.2	+ 0.5	246.0	242.5	+ 1.4	463.1	458.8	+ 0.9
Industrial	24.1	25.4	- 5.1	7.6	8.3	- 8.4	37.9	38.4	- 1.4
Other	6.9	6.8	+ 1.1	4.0	3.9	+ 1.8	0.4	0.4	0.0
TOTAL	5,577.5	5,549.1	+ 0.5	2,813.7	2,772.0	+ 1.5	8,222.7	8,119.8	+ 1.3
SALES (Trillions of Btu)									
Residential	41.0	41.1	- 0.1	21.2	21.6	- 1.8	74.7	80.6	- 7.3
Commercial	34.0	35.3	- 3.6	16.4	16.9	- 2.8	48.2	54.1	- 10.8
Industrial	617.2	726.2	- 15.0	63.5	66.3	- 4.2	241.0	258.0	- 6.6
Other	8.8	8.8	- 0.5	2.3	2.5	- 6.4	0.6	0.7	- 13.3
TOTAL	701.0	811.4	- 13.6	103.4	107.3	- 3.6	364.5	393.4	- 7.3
REVENUES (Thousands $)									
Residential	247,378	222,622	+ 11.3	126,635	114,893	+ 10.2	440,086	396,117	+ 11.1
Commercial	158,501	154,892	+ 2.3	79,972	80,519	- 0.7	308,510	300,575	+ 2.6
Industrial	2,115,123	2,617,727	- 19.2	262,636	247,350	+ 6.2	1,281,899	1,329,633	- 3.6
Other	37,242	36,157	+ 3.0	10,280	10,798	- 4.8	3,650	3,782	- 3.5
TOTAL	2,558,244	3,031,038	- 15.6	479,523	453,560	+ 5.7	2,034,145	2,030,107	+ 0.2

Average Gas Prices for the Third Quarter 1983

($/MMBtu)

	Residential		Commercial		Industrial	
	2nd Qtr 1983	Percent Change*	2nd Qtr 1983	Percent Change*	2nd Qtr 1983	Percent Change*
US	6.81	+ 16.0	5.47	+ 11.6	4.18	+ 4.0
NE	9.99	+ 7.3	5.88	+ 0.5	4.82	- 5.7
MA	8.68	+ 16.0	6.25	+ 15.5	5.11	+ 10.4
ENC	6.46	+ 19.0	5.30	+ 17.3	4.67	+ 15.3
WNC	6.33	+ 14.7	4.56	+ 13.2	3.88	+ 6.6
SA	7.50	+ 14.9	5.60	+ 13.1	4.34	+ 9.3
ESC	6.32	+ 13.3	5.11	+ 8.5	4.16	+ 8.1
WSC	6.03	+ 11.5	4.66	+ 6.2	3.43	- 4.7
M	5.97	+ 12.2	4.87	+ 2.3	4.13	+ 10.7
P	5.89	+ 20.0	6.40	+ 15.1	5.32	+ 3.3

*Compared with the same quarter in 1982.

Average Gas Prices for the Year Ending September 30, 1983

($/MMBtu)

	Residential		Commercial		Industrial	
	Price	Percent Change*	Price	Percent Change*	Price	Percent Change*
US	5.76	+ 22.6	5.38	+ 20.4	4.32	+ 14.0
NE	8.58	+ 16.4	6.82	+ 8.1	5.48	+ 3.2
MA	7.02	+ 23.6	6.37	+ 21.1	5.21	+ 17.6
ENC	5.34	+ 23.9	4.96	+ 22.2	4.60	+ 20.4
WNC	5.49	+ 26.5	4.90	+ 24.1	4.12	+ 18.1
SA	6.39	+ 21.9	5.69	+ 21.3	4.48	+ 16.4
ESC	5.36	+ 22.7	5.13	+ 24.8	4.24	+ 18.4
WSC	5.18	+ 19.4	4.63	+ 15.8	3.56	+ 5.3
M	5.49	+ 22.8	5.06	+ 18.8	4.07	+ 16.3
P	5.26	+ 26.1	5.95	+ 20.9	5.25	+ 12.4

*Compared with the same year ending, September 30, 1982.

APPLIANCE AND HOUSING STATISTICS

(Thousands)

APPLIANCE SHIPMENTS	1983 Third Quarter	Percent Change[a]	Past Twelve Months	Percent Change[b]
Central Heating Equipment				
Warm Air Furnaces				
Gas	435.6	+ 45.5	1,530.2	+ 39.6
Oil[c]	37.4	+ 23.4	118.1	+ 26.0
Electric	100.2	+106.9	310.1	+ 82.1
Boilers				
Gas	38.1	- 8.4	146.1	+ 0.4
Oil[c]	22.5	+ 12.2	81.2	+ 16.3
Other Gas Heating Equipment				
Wall Furnaces	44.3	+ 24.7	161.4	+ 41.0
Floor Furnaces	4.9	+ 15.1	20.1	+ 47.8
Recreational Vehicle Heating Systems	44.2	+ 81.1	159.9	+ 48.3
Major Appliances				
Residential Ranges				
Gas	388.9	+ 19.0	1,506.1	+ 8.7
Electric	715.2	+ 41.0	2,591.5	+ 32.3
Residential Water Heaters				
Gas[c]	725.5	+ 5.6	3,122.8	+ 6.7
Electric[c]	789.4	+ 17.0	3,012.2	+ 16.6
Commercial Water Heaters				
Gas[c]	42.6	+ 12.4	175.8	+ 0.8
Electric[c]	4.7	+ 6.0	18.9	+ 9.7
Clothes Dryers				
Gas	167.5	+ 12.3	638.1	+ 10.5
Electric	664.9	+ 24.1	2,474.9	+ 17.2
HOUSING				
Total Housing Starts	493.0	+ 59.5	1,601.0	+ 64.9
Single-Family Starts	308.0	+ 64.7	1,017.0	+ 68.7
Total Housing Completions (private)	408.0	+ 56.9	1,266.0	+ 22.9
Mobile Home Shipments	81.4	+ 29.6	281.1	+ 20.1

[a]Compared with same period in 1982.

[b]Past twelve months compared with same period a year ago.

[c]Data not expanded.

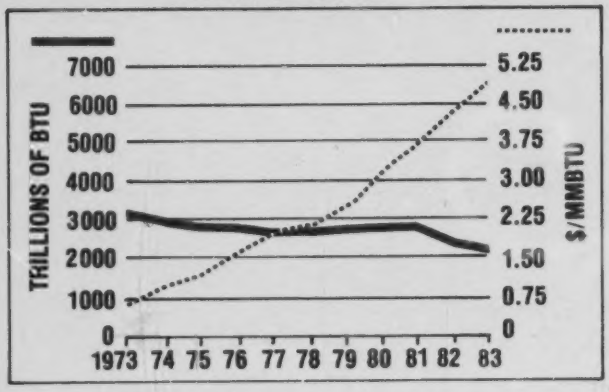
Sources: Gas Appliance Manufacturers Association, Statistical Highlights.
U.S. Department of Commerce, Housing Starts and Housing Completions.

Part II. Gas Utility Industry Historical Trends

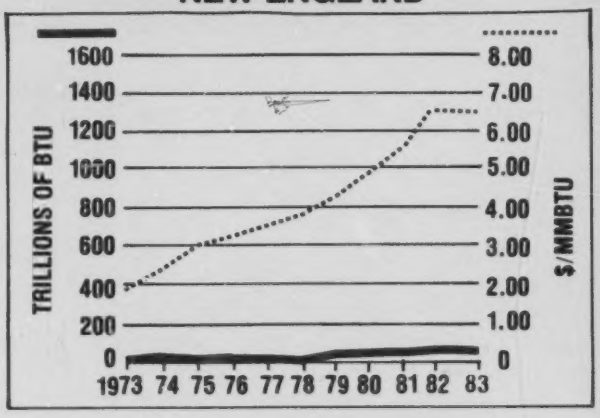
THIRD QUARTER GAS UTILITY SALES & PRICES

SALES **PRICES**

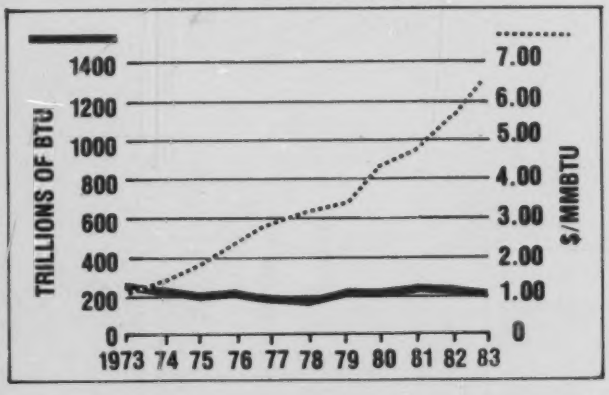
UNITED STATES



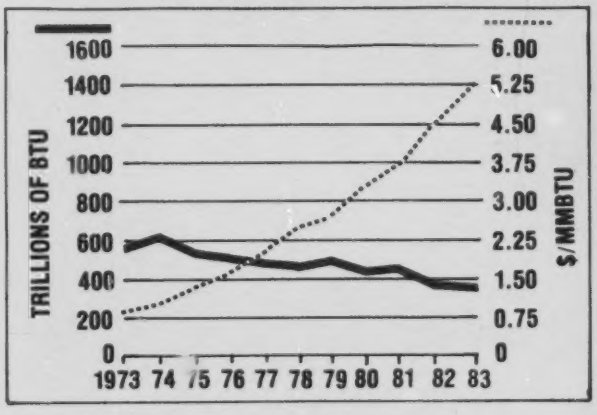
NEW ENGLAND



MIDDLE ATLANTIC



EAST NORTH CENTRAL



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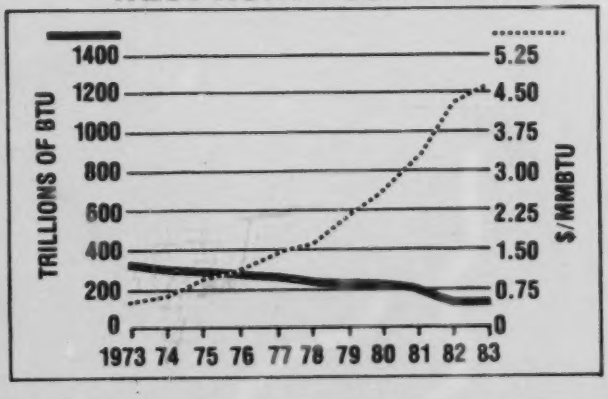

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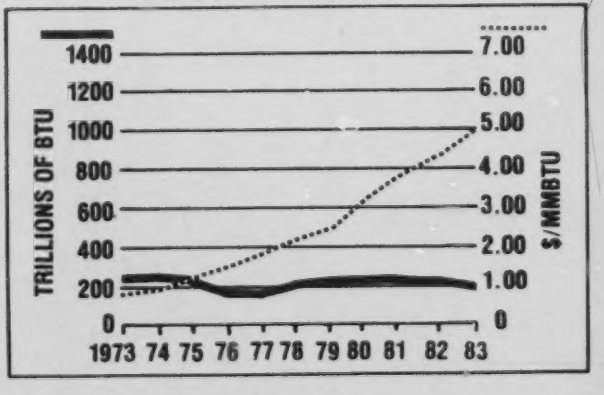
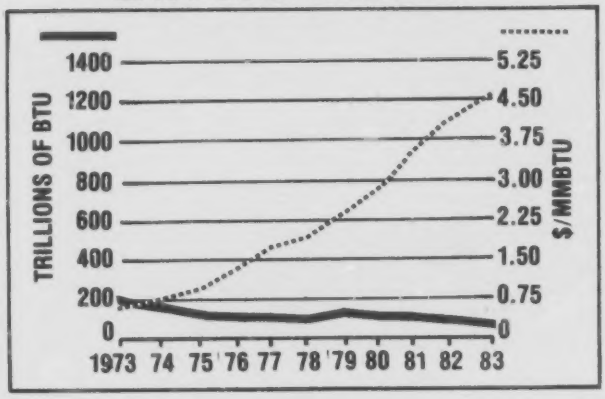


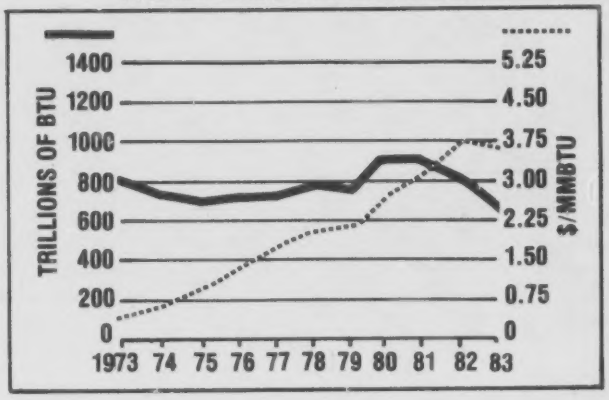
THIRD QUARTER GAS UTILITY SALES & PRICES

SALES ----- PRICES

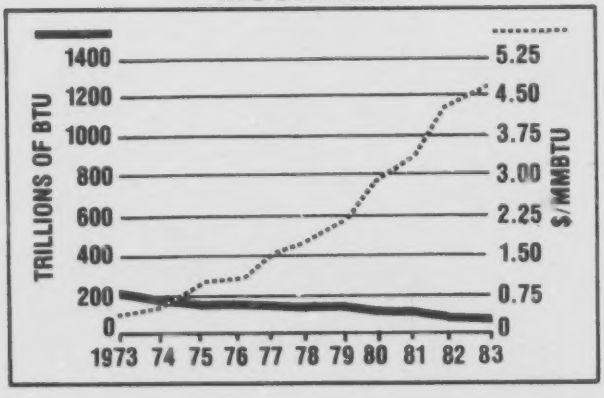
EAST SOUTH CENTRAL



WEST SOUTH CENTRAL



MOUNTAIN



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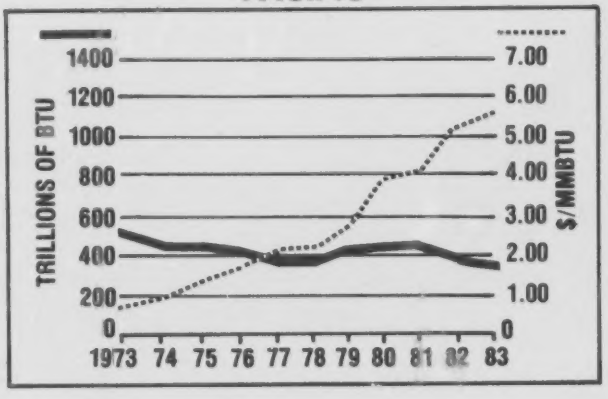

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Income Statement

Total operating revenues for the twelve month period ending December 31, 1983 were $118,077 million, a 1.9 percent increase over the same period a year ago. At the same time, operating expenses rose 1.4 percent to $111,943 million. Total interest expense rose 5.0 percent during the period and net income rose 10.1 percent.

Prices

Average U.S. residential gas prices rose from $5.51/MMBtu in the fourth quarter 1982 to $5.72/MMBtu in the fourth quarter 1983, a 3.8 percent increase. Commercial gas prices rose 2.7 percent while industrial prices declined 0.2 percent during the same period.

Customers, Sales, Revenues

The total number of customers in the fourth quarter 1983 increased 0.9 percent over the fourth quarter 1982 to 48,939,900.

Total sales in the fourth quarter 1983 increased 0.3 percent from the fourth quarter 1982, while the twelve months ending December 31, 1983 recorded a decrease of 11.3 percent from the twelve months ending December 31, 1982.

Fourth quarter 1983 total revenues increased 3.2 percent over the fourth quarter 1982, while total revenues for the twelve months ending December 31, 1983 increased 1.1 percent over the same period ending December 31, 1982.

See Table 1 and Table 2 for detailed data on sales, revenues and customers.

INVESTOR-OWNED GAS UTILITY INDUSTRY INCOME STATEMENT
(Millions of Dollars)

	Twelve Months Ended 12/31/83	12/31/82	Percent Change 12/31/82-83
Total Operating Revenues	$118,077	$115,875	+ 1.9
Operating Expenses:			
Operation Expenses	$ 99,881	$100,181	- 0.3
Maintenance Expenses	1,543	1,540	+ 0.2
Depreciation, Retirement, Depletion, Amortization, etc.	3,569	3,022	+ 18.1
Federal Income Taxes	3,430	2,520	+ 36.1
All Other Taxes	3,520	3,188	+ 10.4
Total Operating Expenses	111,943	110,451	+ 1.4
Operating Income	6,134	5,424	+ 13.1
Other Income - Net	3,322	3,332	- 0.3
Income Before Interest Charges	9,456	8,756	+ 8.0
Interest on Long-term Debt	3,053	2,796	+ 9.2
Other Interest Expense (Net)	746	822	- 9.2
Total Interest Expense	$ 3,799	$ 3,618	+ 5.0
Net Income	$ 5,657	$ 5,138	+ 10.1
Utility Plant Value	$ 81,712	$ 78,636	+ 3.9
Accumulated Provision for Depreciation	$ 32,685	$ 31,439	+ 4.0

Explanatory Notes

The gas utility industry is defined to be distribution and transmission companies. The income statement includes operations of mixed and manufactured gas utilities. Because this segment of the gas industry accounts for less than two percent of total operating revenues, the income statement can be considered to be representative of the natural gas utility industry.

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Although the composite income statement is confined to all investor-owned companies, municipal operations are included in the data for customers, sales and revenues of "Gas Utility Industry Operating Trends" reported in Part II. Totals may not equal the sum of their parts, due to independent rounding.

Table 1—Gas Utility Industry Customers, Sales and Revenues, United States, Fourth Quarter 1983

	Quarter Ending December 31		Percent	Twelve Months Ending December 31		Percent
	1983	1982	Change	1983	1982	Change
CUSTOMERS (Thousands)						
Residential	45,040.2	44,652.4	+ 0.9	SEE		
Commercial	3,670.5	3,636.1	+ 0.9			
Industrial	182.7	185.0	- 1.2		QUARTERLY	
Other	46.5	45.8	+ 1.5			
TOTAL	48,939.9	48,519.3	+ 0.9			DATA
SALES (Trillions of Btu)						
Residential	1,258.4	1,166.3	+ 7.9	4,494.7	4,770.0	- 5.8
Commercial	648.2	622.3	+ 4.2	2,344.4	2,471.3	- 5.1
Industrial	1,481.2	1,590.8	- 6.9	5,688.2	6,891.6	- 17.5
Other	40.0	39.1	+ 2.3	145.3	147.6	- 1.6
TOTAL	3,427.8	3,418.5	+ 0.3	12,672.6	14,280.5	- 11.3
REVENUES (Thousands $)						
Residential	7,198,338	6,427,962	+ 12.0	26,145,160	23,700,680	+ 10.3
Commercial	3,416,900	3,192,100	+ 7.0	12,690,675	11,666,104	+ 8.8
Industrial	6,236,494	6,711,953	- 7.1	24,556,952	27,388,986	- 10.3
Other	197,749	195,608	+ 1.1	702,276	634,913	+ 10.6
TOTAL	17,049,481	16,527,623	+ 3.2	64,095,063	63,390,683	+ 1.1

Table 2—Gas Utility Industry Customers, Sales and Revenues, By Division, Fourth Quarter 1983

NEW ENGLAND DIVISION

MIDDLE ATLANTIC DIVISION

EAST NORTH CENTRAL DIVISION

	Quarter Ending December 31		Percent	Quarter Ending December 31		Percent	Quarter Ending December 31		Percent
	1983	1982	Change	1983	1982	Change	1983	1982	Change
CUSTOMERS (Thousands)									
Residential	1,640.9	1,630.1	+ 0.7	7,640.2	7,602.9	+ 0.5	10,173.4	10,119.8	+ 0.5
Commercial	132.6	130.5	+ 1.6	575.1	566.4	+ 1.5	803.4	794.4	+ 1.1
Industrial	9.2	9.1	+ 0.9	23.0	23.4	- 1.6	47.4	47.8	- 0.9
Other	4.0	3.7	+ 7.4	9.5	9.7	- 2.1	3.7	3.7	+ 0.6
TOTAL	1,786.7	1,773.4	+ 0.7	8,247.8	8,202.4	+ 0.6	11,027.9	10,965.7	+ 0.6
SALES (Trillions of Btu)									
Residential	36.8	34.2	+ 7.6	214.2	192.2	+ 11.4	421.3	366.8	+ 14.9
Commercial	24.2	23.4	+ 3.4	93.2	85.5	+ 9.0	190.4	173.3	+ 9.9
Industrial	22.6	18.6	+ 21.5	124.0	121.0	+ 2.5	288.4	265.6	+ 8.6
Other	0.7	0.6	+ 19.0	10.8	10.1	+ 6.7	2.4	2.1	+ 12.1
TOTAL	84.3	76.8	+ 9.8	442.2	408.8	+ 8.2	902.5	807.8	+ 11.7
REVENUES (Thousands $)									
Residential	277,890	278,782	- 0.3	1,421,211	1,281,063	+ 10.9	2,317,776	1,890,673	+ 22.6
Commercial	152,094	157,643	- 3.5	527,882	477,851	+ 10.5	973,224	838,119	+ 16.1
Industrial	117,053	104,633	+ 11.9	611,499	607,610	+ 0.6	1,306,228	1,183,285	+ 10.4
Other	4,614	4,623	- 0.2	70,075	66,485	+ 5.4	11,531	10,241	+ 12.6
TOTAL	551,651	545,681	+ 1.1	2,630,667	2,433,009	+ 8.1	4,608,759	3,922,318	+ 17.5

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TABLE 2—CONTINUED

WEST NORTH CENTRAL DIVISION

SOUTH ATLANTIC DIVISION

EAST SOUTH CENTRAL DIVISION

	Quarter Ending December 31 1983	1982	Percent Change	Quarter Ending December 31 1983	1982	Percent Change	Quarter Ending December 31 1983	1982	Percent Change
CUSTOMERS (Thousands)									
Residential	3,880.0	3,844.2	+ 0.9	3,898.2	3,848.6	+ 1.3	2,029.2	2,022.9	+ 0.3
Commercial	401.6	401.0	+ 0.2	339.2	335.4	+ 1.1	206.2	204.0	+ 1.1
Industrial	13.6	13.6	- 0.2	14.4	14.1	+ 2.3	6.4	6.6	- 2.4
Other	1.8	1.8	- 1.8	5.5	5.6	- 1.7	10.4	9.9	+ 4.6
TOTAL	4,297.0	4,260.6	+ 0.9	4,257.3	4,203.7	+ 1.3	2,252.2	2,243.4	+ 0.4
SALES (Trillions of Btu)									
Residential	138.9	121.6	+ 14.2	89.2	80.5	+ 10.8	47.5	42.3	+ 12.3
Commercial	81.1	75.5	+ 7.4	62.9	59.4	+ 6.0	28.8	26.6	+ 8.2
Industrial	112.5	107.4	+ 4.8	149.1	157.4	- 5.3	87.6	87.6	+ 0.0
Other	1.6	1.4	+ 14.4	2.1	2.2	- 5.7	4.2	3.9	+ 7.8
TOTAL	334.1	305.9	+ 9.2	303.3	299.5	+ 1.3	168.1	160.4	+ 4.8
REVENUES (Thousands $)									
Residential	722,149	629,543	+ 14.7	555,880	471,564	+ 17.9	243,903	225,252	+ 8.3
Commercial	375,671	352,875	+ 6.4	348,511	309,870	+ 12.5	138,377	127,548	+ 8.5
Industrial	446,716	436,076	+ 2.4	641,144	667,302	- 3.9	351,935	352,393	- 0.1
Other	4,820	4,666	+ 3.3	9,780	10,891	- 10.2	15,813	15,442	+ 2.4
TOTAL	1,549,356	1,423,160	+ 8.9	1,555,315	1,459,627	+ 6.6	750,028	720,635	+ 4.1

WEST SOUTH CENTRAL DIVISION

MOUNTAIN DIVISION

PACIFIC DIVISION

	Quarter Ending December 31 1983	1982	Percent Change	Quarter Ending December 31 1983	1982	Percent Change	Quarter Ending December 31 1983	1982	Percent Change
CUSTOMERS (Thousands)									
Residential	5,259.1	5,218.4	+ 0.8	2,654.3	2,593.9	+ 2.3	7,864.9	7,771.6	+ 1.2
Commercial	470.2	471.2	- 0.2	258.6	254.2	+ 1.7	483.6	479.0	+ 1.0
Industrial	23.1	23.8	- 3.0	6.9	7.4	- 6.2	38.7	39.2	- 1.2
Other	7.1	7.0	+ 1.0	4.2	4.1	+ 2.0	0.3	0.3	- 5.6
TOTAL	5,759.5	5,720.4	+ 0.7	2,924.0	2,859.6	+ 2.3	8,387.5	8,290.1	+ 1.2
SALES (Trillions of Btu)									
Residential	110.9	102.1	+ 8.6	61.2	68.3	- 10.4	138.4	158.3	- 12.6
Commercial	63.1	60.2	+ 4.8	38.7	42.0	- 7.8	65.8	76.4	- 13.9
Industrial	429.7	540.6	- 20.5	63.7	63.8	- 0.1	203.6	228.8	- 11.0
Other	13.3	13.5	- 1.3	4.2	4.6	- 9.4	0.7	0.7	+ 5.8
TOTAL	617.0	716.4	- 13.9	167.8	178.7	- 6.1	408.5	464.2	- 12.0
REVENUES (Thousands $)									
Residential	561,690	510,210	+ 10.1	331,784	353,563	- 6.2	766,055	787,312	- 2.7
Commercial	292,658	277,585	+ 5.4	191,503	214,665	- 10.8	416,980	435,944	- 4.3
Industrial	1,454,395	1,906,153	- 23.7	257,942	253,331	+ 1.8	1,049,582	1,201,170	- 12.6
Other	58,273	58,041	+ 0.4	18,673	20,981	- 11.0	4,170	4,238	- 1.6
TOTAL	2,367,016	2,751,989	- 14.0	799,902	842,540	- 5.1	2,236,787	2,428,664	- 7.9

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Average Gas Prices for the Fourth Quarter 1983

($/MMBtu)

	Residential		Commercial		Industrial	
	4th Qtr 1983	Percent Change*	4th Qtr 1983	Percent Change*	4th Qtr 1983	Percent Change*
US	5.72	+ 3.8	5.27	+ 2.7	4.21	- 0.2
NE	7.54	- 7.5	6.28	- 6.8	5.18	- 8.0
MA	6.63	- 0.6	5.66	+ 1.3	4.93	- 1.8
ENC	5.50	+ 6.8	5.11	+ 5.6	4.53	+ 1.6
WNC	5.20	+ 0.4	4.63	- 0.9	3.97	- 2.2
SA	6.24	+ 6.5	5.54	+ 6.1	4.30	+ 1.4
ESC	5.13	- 3.7	4.81	+ 0.2	4.02	- 0.1
WSC	5.07	+ 1.4	4.64	+ 0.7	3.38	- 4.2
M	5.42	+ 4.6	4.94	- 3.3	4.05	+ 2.0
P	5.54	+ 11.5	6.34	+ 11.0	5.15	- 1.9

*Compared with the same quarter in 1982.

Average Gas Prices for the Year Ending December 31, 1983

($/MMBtu)

	Residential		Commercial		Industrial	
	Price	Percent Change*	Price	Percent Change*	Price	Percent Change*
US	5.82	+ 17.1	5.41	+ 14.6	4.32	+ 8.8
NE	8.41	+ 9.8	6.71	+ 3.7	5.35	- 1.5
MA	7.00	+ 16.7	6.27	+ 12.8	5.18	+ 11.2
ENC	5.44	+ 19.0	5.04	+ 17.2	4.62	+ 14.4
WNC	5.48	+ 17.6	4.89	+ 15.3	4.10	+ 9.6
SA	6.48	+ 17.2	5.77	+ 16.6	4.50	+ 11.4
ESC	5.48	+ 20.7	5.13	+ 16.9	4.24	+ 12.2
WSC	5.11	+ 10.1	4.64	+ 9.7	3.52	+ 0.6
M	5.32	+ 9.7	5.02	+ 11.1	4.09	+ 11.7
P	5.30	+ 17.0	6.12	+ 17.0	5.22	+ 5.7

*Compared with the same year ending, December 31, 1982.

APPLIANCE AND HOUSING STATISTICS

(Thousands)

APPLIANCE SHIPMENTS	1983 Fourth Quarter	Percent Change[a]	Past Twelve Months	Percent Change[b]
Central Heating Equipment				
Warm Air Furnaces				
Gas	536.9	+ 32.5	1,661.8	+ 43.8
Oil[c]	48.4	+ 23.5	127.3	+ 23.0
Electric	76.3	+ 64.4	340.0	+ 92.0
Boilers				
Gas	58.2	+ 2.8	147.7	+ 0.1
Oil[c]	30.0	+ 4.8	82.6	+ 13.5
Other Gas Heating Equipment				
Wall Furnaces	63.0	+ 12.4	168.3	+ 26.9
Floor Furnaces	6.8	- 16.6	18.8	- 0.2
Recreational Vehicle Heating Systems	39.1	+ 71.1	176.1	+ 61.0
Major Appliances				
Residential Ranges				
Gas	419.7	+ 18.9	1,572.7	+ 15.0
Electric	730.5	+ 27.6	2,750.5	+ 35.1
Residential Water Heaters				
Gas[c]	802.3	+ 6.5	3,172.1	+ 4.3
Electric[c]	801.4	+ 17.4	3,131.0	+ 15.2
Commercial Water Heaters				
Gas[c]	38.3	+ 0.4	176.0	+ 3.1
Electric[c]	4.5	- 10.7	18.4	- 2.9
Clothes Dryers				
Gas	185.0	+ 22.4	672.0	+ 15.0
Electric	700.5	+ 26.5	2,621.7	+ 22.3
HOUSING				
Total Housing Starts	403.6	+ 32.9	1,703.0	+ 59.0
Single-Family Starts	332.1	+ 80.6	1,164.9	+ 75.9
Total Housing Completions (private)	415.3	+ 42.7	1,389.6	+ 38.3
Mobile Home Shipments	69.0	+ 25.2	295.0	+ 23.5

[a]Compared with same period in 1982.

[b]Past twelve months compared with same period a year ago.

[c]Data not expanded.

Sources: Gas Appliance Manufacturers Association, Statistical Highlights.
U.S. Department of Commerce, Housing Starts and Housing Completions.

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Quarterly Report of
Gas Industry Operations

FIRST QUARTER 1984

American Gas Association

Department of Statistics
American Gas Association
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Part I. Gas Utility Industry Operating Trends

Income Statement

Total operating revenues for the twelve month period ending March 31, 1984 were $118,263 million, a 2.7 percent increase over the same period a year ago. At the same time, operating expenses rose 1.7 percent to $111,380 million. Total interest expense rose 2.3 percent during the period and net income rose 26.0 percent.

Prices

Average U.S. residential gas prices rose from $5.61/MMBtu in the first quarter 1983 to $5.63/MMBtu in the first quarter 1984, a 0.4 percent increase. Commercial gas prices rose 0.4 percent while industrial prices declined 2.9 percent during the same period.

Customers, Sales, Revenues

The total number of customers in the first quarter 1984 increased 1.1 percent over the first quarter 1983 to 49,613,500.

Total sales in the first quarter 1984 increased 11.6 percent from the first quarter 1983, while the twelve months ending March 31, 1984 recorded a decrease of 0.9 percent from the twelve months ending March 31, 1983.

First quarter 1984 total revenues increased 11.4 percent over the first quarter 1983, while total revenues for the twelve months ending March 31, 1984 increased 5.4 percent over the same period ending March 31, 1983.

See Table 1 and Table 2 for detailed data on sales, revenues and customers.

INVESTOR-OWNED GAS UTILITY INDUSTRY INCOME STATEMENT
(Millions of Dollars)

	Twelve Months Ended 3/31/84	3/31/83	Percent Change 3/31/83-84
Total Operating Revenues	$118,263	$115,154	+ 2.7
Operating Expenses:			
Operation Expenses	$ 98,696	$ 98,795	- 0.1
Maintenance Expenses	1,526	1,521	+ 0.3
Depreciation, Retirement, Depletion, Amortization, etc.	3,397	3,172	+ 7.1
Federal Income Taxes	4,106	2,803	+ 46.5
All Other Taxes	3,655	3,263	+ 12.0
Total Operating Expenses	111,380	109,554	+ 1.7
Operating Income	6,883	5,600	+ 22.9
Other Income - Net	3,331	3,210	+ 3.8
Income Before Interest Charges	10,214	8,810	+ 15.9
Interest on Long-term Debt	3,160	2,956	+ 6.9
Other Interest Expense (Net)	667	785	- 15.0
Total Interest Expense	$ 3,827	$ 3,741	+ 2.3
Net Income	$ 6,387	$ 5,069	+ 26.0
Utility Plant Value	$ 81,644	$ 79,270	+ 3.0
Accumulated Provision for Depreciation	$ 32,658	$ 31,708	+ 3.0

Explanatory Notes

The gas utility industry is defined to be distribution and transmission companies. The income statement includes operations of mixed and manufactured gas utilities. Because this segment of the gas industry accounts for less than two percent of total operating revenues, the income statement can be considered to be representative of the natural gas utility industry.

The composite income account includes revenues from sales to ultimate consumers and from sales for resale. It should not be interpreted as a "net" or "consolidated" statement since the duplicative effect of including both pipeline sales for resale and distribution company sales to ultimate consumers has not been eliminated.

The data presented have been expanded from the reports received on the basis of their relationship to total industry data. For combination companies appropriate allocation of long-term debt interest and net income is made so that the data properly reflect the financial picture of distribution and pipeline company gas operations.

Although the composite income statement is confined to all investor-owned companies, municipal operations are included in the data for customers, sales and revenues of "Gas Utility Industry Operating Trends" reported in Part II. Totals may not equal the sum of their parts, due to independent rounding.

Table 1—Gas Utility Industry Customers, Sales and Revenues, United States, First Quarter 1984

	Quarter Ending March 31		Percent Change	Twelve Months Ending March 31		Percent Change
	1984	1983		1984	1983	
CUSTOMERS (Thousands)						
Residential	45,614.6	45,122.8	+ 1.1	SEE		
Commercial	3,770.8	3,715.1	+ 1.5			
Industrial	181.8	184.0	- 1.2		QUARTERLY	
Other	46.3	45.7	+ 1.3			
TOTAL	49,613.5	49,067.6	+ 1.1			DATA
SALES (Trillions of Btu)						
Residential	2,207.0	1,921.4	+ 14.9	4,780.3	4,373.2	+ 9.3
Commercial	1,054.4	926.3	+ 13.8	2,472.5	2,311.2	+ 7.0
Industrial	1,473.5	1,398.4	+ 5.4	5,688.3	6,379.2	- 10.8
Other	56.3	52.7	+ 6.8	148.9	142.7	+ 4.3
TOTAL	4,791.2	4,298.8	+ 11.6	13,090.0	13,206.3	- 0.9
REVENUES (Thousands $)						
Residential	12,434,101	10,771,384	+ 15.4	27,807,877	24,000,410	+ 15.9
Commercial	5,739,873	5,022,093	+ 14.3	13,408,455	11,875,392	+ 12.9
Industrial	6,442,815	6,288,692	+ 2.5	24,430,862	26,437,461	- 7.6
Other	275,776	267,236	+ 3.2	710,421	668,882	+ 6.2
TOTAL	24,892,565	22,349,405	+ 11.4	66,357,615	62,982,145	+ 5.4

Table 2—Gas Utility Industry Customers, Sales and Revenues, By Division, First Quarter 1984

	NEW ENGLAND DIVISION			MIDDLE ATLANTIC DIVISION			EAST NORTH CENTRAL DIVISION		
	Quarter Ending March 31		Percent Change	Quarter Ending March 31		Percent Change	Quarter Ending March 31		Percent Change
	1984	1983		1984	1983		1984	1983	
CUSTOMERS (Thousands)									
Residential	1,661.4	1,649.0	+ 0.8	7,705.9	7,660.7	+ 0.6	10,270.0	10,198.6	+ 0.7
Commercial	136.8	134.3	+ 1.9	589.2	578.4	+ 1.9	819.0	806.6	+ 1.5
Industrial	9.4	9.4	+ 0.4	22.8	23.1	- 1.3	47.0	47.9	- 2.0
Other	3.8	3.6	+ 6.0	9.3	9.5	- 1.9	3.8	3.8	+ 0.5
TOTAL	1,811.4	1,796.3	+ 0.8	8,327.2	8,271.7	+ 0.7	11,139.8	11,056.9	+ 0.7
SALES (Trillions of Btu)									
Residential	70.4	62.4	+ 12.9	361.2	312.4	+ 15.6	713.4	589.4	+ 21.0
Commercial	39.2	34.9	+ 12.2	137.2	120.9	+ 13.5	324.6	265.2	+ 22.4
Industrial	16.6	14.8	+ 11.9	128.6	121.8	+ 5.6	334.4	287.9	+ 16.2
Other	1.0	0.9	+ 12.1	14.2	12.7	+ 11.8	4.7	3.8	+ 23.5
TOTAL	127.2	113.0	+ 12.6	641.2	567.8	+ 12.9	1,377.1	1,146.3	+ 20.1
REVENUES (Thousands $)									
Residential	527,714	530,526	- 0.5	2,388,063	2,139,650	+ 11.6	3,775,618	3,014,225	+ 25.3
Commercial	266,123	265,724	+ 0.2	885,361	793,192	+ 11.6	1,614,229	1,289,423	+ 25.2
Industrial	97,877	97,985	- 0.1	680,107	660,747	+ 2.9	1,521,203	1,316,489	+ 15.6
Other	5,528	6,275	- 11.9	89,592	84,601	+ 5.9	23,296	19,462	+ 19.7
TOTAL	897,242	900,510	- 0.4	4,043,123	3,678,190	+ 9.9	6,934,346	5,639,599	+ 23.0

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TABLE 2—CONTINUED

WEST NORTH CENTRAL DIVISION

SOUTH ATLANTIC DIVISION

EAST SOUTH CENTRAL DIVISION

	Quarter Ending March 31		Percent	Quarter Ending March 31		Percent	Quarter Ending March 31		Percent
	1984	1983	Change	1984	1983	Change	1984	1983	Change
CUSTOMERS (Thousands)									
Residential	3,921.4	3,886.4	+ 0.9	4,014.3	3,942.9	+ 1.8	2,064.9	2,056.1	+ 0.4
Commercial	407.9	406.0	+ 0.5	351.2	343.6	+ 2.2	215.4	211.7	+ 1.7
Industrial	13.3	13.4	- 0.7	14.3	14.1	+ 1.1	6.3	6.5	- 2.9
Other	1.5	1.5	+ 0.4	5.5	5.6	- 1.1	10.6	10.2	+ 3.8
TOTAL	4,344.1	4,307.3	+ 0.9	4,385.3	4,306.2	+ 1.8	2,297.2	2,284.5	+ 0.6
SALES (Trillions of Btu)									
Residential	224.1	192.7	+ 16.3	177.7	152.1	+ 16.8	103.1	86.2	+ 19.6
Commercial	128.7	111.5	+ 15.4	104.4	93.3	+ 11.9	55.2	46.4	+ 19.0
Industrial	126.8	102.8	+ 23.3	140.9	139.7	+ 0.9	96.4	85.2	+ 13.1
Other	2.1	1.8	+ 17.9	2.6	2.5	+ 3.7	6.8	5.8	+ 16.5
TOTAL	481.7	408.8	+ 17.8	425.6	387.6	+ 9.8	261.5	223.6	+ 16.9
REVENUES (Thousands $)									
Residential	1,186,747	1,050,963	+ 12.9	1,149,714	955,150	+ 20.4	533,170	466,221	+ 14.4
Commercial	650,120	570,731	+ 13.9	625,957	544,926	+ 14.9	271,742	244,131	+ 11.3
Industrial	518,287	455,677	+ 13.7	660,292	669,396	- 1.4	387,446	376,088	+ 3.0
Other	6,697	6,566	+ 2.0	13,560	13,794	- 1.7	28,988	27,117	+ 6.9
TOTAL	2,361,851	2,083,937	+ 13.3	2,449,523	2,183,266	+ 12.2	1,221,346	1,113,557	+ 9.7

WEST SOUTH CENTRAL DIVISION

MOUNTAIN DIVISION

PACIFIC DIVISION

	Quarter Ending March 31		Percent	Quarter Ending March 31		Percent	Quarter Ending March 31		Percent
	1984	1983	Change	1984	1983	Change	1984	1983	Change
CUSTOMERS (Thousands)									
Residential	5,339.9	5,281.3	+ 1.1	2,695.4	2,632.2	+ 2.4	7,941.4	7,815.6	+ 1.6
Commercial	492.2	487.1	+ 1.0	264.9	260.2	+ 1.8	494.2	487.2	+ 1.4
Industrial	22.7	22.9	- 0.9	6.8	7.2	- 5.5	39.2	39.5	- 0.7
Other	7.3	7.1	+ 2.2	4.2	4.1	+ 1.8	0.3	0.3	- 6.7
TOTAL	5,862.1	5,798.4	+ 1.1	2,971.3	2,903.7	+ 2.3	8,475.1	8,342.6	+ 1.6
SALES (Trillions of Btu)									
Residential	226.0	194.2	+ 16.4	124.0	106.7	+ 16.2	207.1	225.3	- 8.1
Commercial	110.4	98.6	+ 12.0	70.0	61.7	+ 13.5	84.7	93.8	- 9.7
Industrial	380.4	401.6	- 5.3	68.7	63.5	+ 8.2	180.7	181.1	- 0.2
Other	20.1	18.8	+ 6.8	4.2	5.8	- 28.2	0.6	0.6	- 6.2
TOTAL	736.9	713.2	+ 3.3	266.9	237.7	+ 12.3	473.1	500.8	- 5.5
REVENUES (Thousands $)									
Residential	1,109,162	945,416	+ 17.3	632,167	544,127	+ 16.2	1,131,744	1,125,106	+ 0.6
Commercial	529,056	454,086	+ 16.5	345,647	310,164	+ 11.4	551,640	549,716	+ 0.3
Industrial	1,363,093	1,500,873	- 9.2	276,572	251,910	+ 9.8	937,938	959,527	- 2.2
Other	84,496	78,968	+ 7.0	20,324	26,567	- 23.5	3,295	3,886	- 15.2
TOTAL	3,085,807	2,979,343	+ 3.6	1,274,710	1,132,768	+ 12.5	2,624,617	2,638,235	- 0.5

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Average Gas Prices for the First Quarter 1984

($/MMBtu)

	Residential		Commercial		Industrial	
	1st Qtr 1984	Percent Change*	1st Qtr 1984	Percent Change*	1st Qtr 1984	Percent Change*
US	5.63	+ 0.4	5.44	+ 0.4	4.37	- 2.9
NE	7.49	- 11.9	6.79	- 10.8	5.91	- 10.7
MA	6.61	- 3.5	6.45	- 1.7	5.29	- 2.4
ENC	5.29	+ 3.5	4.97	+ 2.3	4.55	- 0.4
WNC	5.30	- 2.7	5.05	- 1.4	4.09	- 7.7
SA	6.47	+ 3.0	6.00	+ 2.7	4.69	- 2.1
ESC	5.17	- 4.4	4.92	- 6.5	4.02	- 8.8
WSC	4.91	+ 0.8	4.79	+ 3.9	3.58	- 4.3
M	5.10	+ 0.0	4.94	- 1.8	4.02	+ 1.3
P	5.47	+ 9.6	6.52	+ 11.3	5.19	- 2.1

*Compared with the same quarter in 1983.

Average Gas Prices for the Year Ending March 31, 1984

($/MMBtu)

	Residential		Commercial		Industrial	
	Price	Percent Change*	Price	Percent Change*	Price	Percent Change*
US	5.82	+ 6.0	5.42	+ 5.4	4.29	+ 3.6
NE	7.94	- 4.8	6.43	- 5.7	5.22	- 6.1
MA	6.88	+ 3.0	6.24	+ 2.8	5.15	+ 4.5
ENC	5.50	+ 8.7	5.07	+ 7.6	4.61	+ 7.7
WNC	5.41	+ 3.2	4.87	+ 3.8	4.01	+ 1.5
SA	6.55	+ 7.2	5.83	+ 8.4	4.48	+ 6.2
ESC	5.35	+ 4.5	4.98	+ 1.6	4.14	+ 4.5
WSC	5.12	+ 1.6	4.72	+ 4.2	3.49	- 2.5
M	5.30	+ 1.1	4.98	+ 2.9	4.10	+ 7.6
P	5.49	+ 10.9	6.34	+ 13.2	5.20	+ 1.2

*Compared with the same year ending, March 31, 1983.

APPLIANCE AND HOUSING STATISTICS

(Thousands)

APPLIANCE SHIPMENTS	1984 First Quarter	Percent Change[a]	Past Twelve Months	Percent Change[b]
Central Heating Equipment				
Warm Air Furnaces				
Gas	414.2	+ 12.7	1,708.5	+ 31.8
Oil[c]	33.0	+ 46.7	137.8	+ 28.7
Electric	91.2	+ 42.1	367.0	+ 81.6
Boilers				
Gas	31.5	+ 17.9	152.5	+ 2.2
Oil[c]	16.4	+ 21.4	85.5	+ 14.9
Other Gas Heating Equipment				
Wall Furnaces	31.4	- 0.7	168.1	+ 19.9
Floor Furnaces	NA		NA	
Recreational Vehicle Heating Systems	57.2	+ 44.4	193.7	+ 62.8
Major Appliances				
Residential Ranges				
Gas	419.2	+ 18.5	1,638.1	+ 18.7
Electric	756.6	+ 24.8	2,747.4	+ 25.7
Residential Water Heaters				
Gas[c]	942.3	+ 15.0	3,295.2	+ 8.1
Electric[c]	878.3	+ 19.2	3,272.6	+ 17.5
Commercial Water Heaters				
Gas[c]	57.0	+ 26.6	188.0	+ 10.7
Electric[c]	5.8	+ 29.3	19.7	+ 4.6
Clothes Dryers				
Gas	200.1	+ 21.9	708.0	+ 19.2
Electric	784.8	+ 24.6	2,776.5	+ 25.5
HOUSING				
Total Housing Starts	372.0	+ 15.5	1,753.8	+ 45.2
Single-Family Starts	236.1	+ 16.3	1,101.1	+ 46.4
Total Housing Completions (private)	341.0	+ 38.1	1,484.0	+ 42.0
Mobile Home Shipments	67.7	+ 7.0	299.6	+ 20.1

[a]Compared with same period in 1983.

[b]Past twelve months compared with same period a year ago.

[c]Data not expanded.

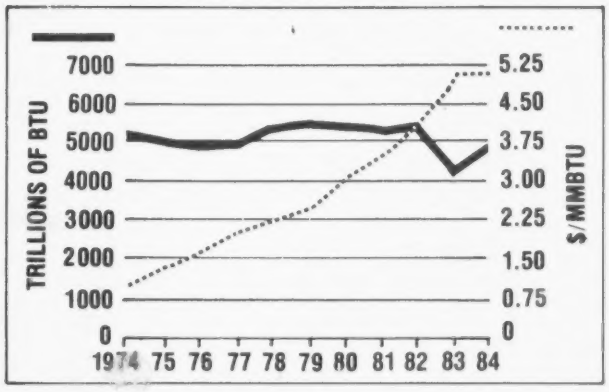
Sources: Gas Appliance Manufacturers Association, Statistical Highlights.
U.S. Department of Commerce, Housing Starts and Housing Completions.

Part II. Gas Utility Industry Historical Trends

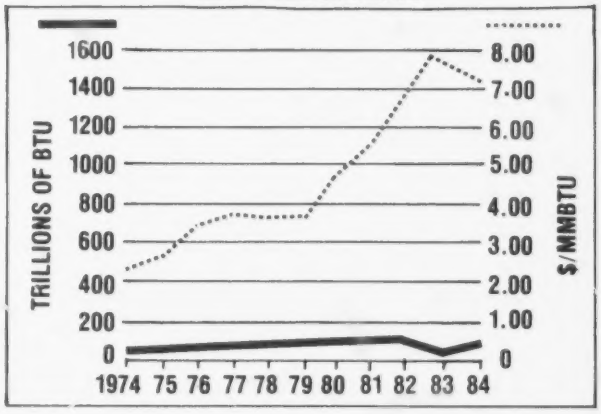
FIRST QUARTER GAS UTILITY SALES & PRICES

SALES **PRICES**

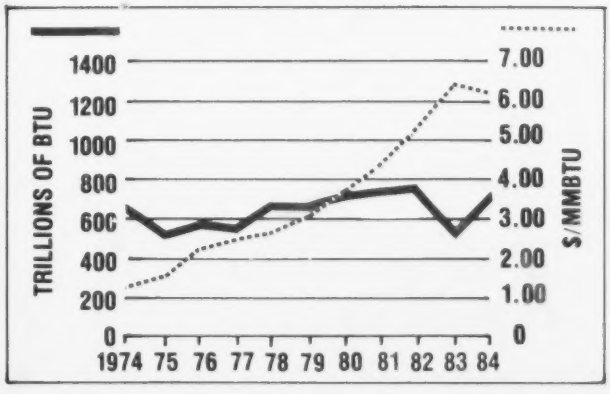
UNITED STATES



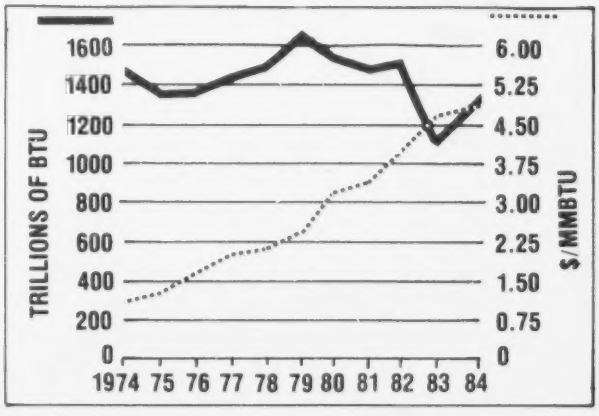
NEW ENGLAND



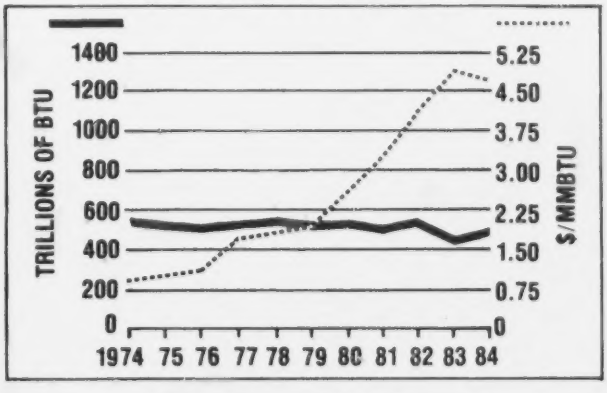
MIDDLE ATLANTIC



EAST NORTH CENTRAL



WEST NORTH CENTRAL



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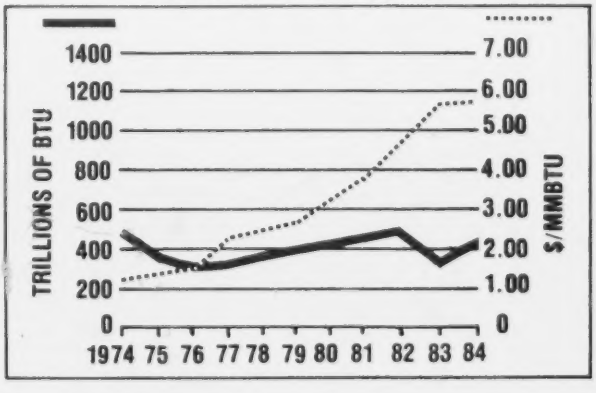
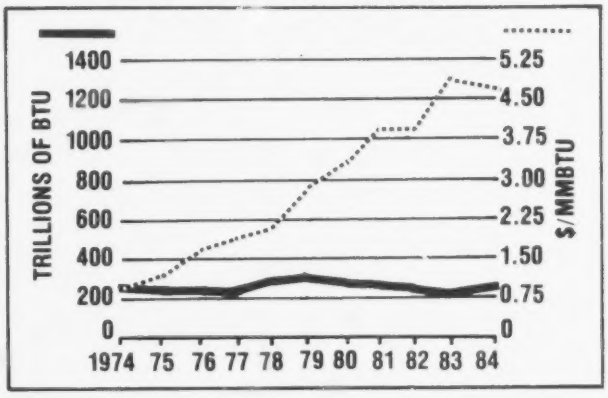


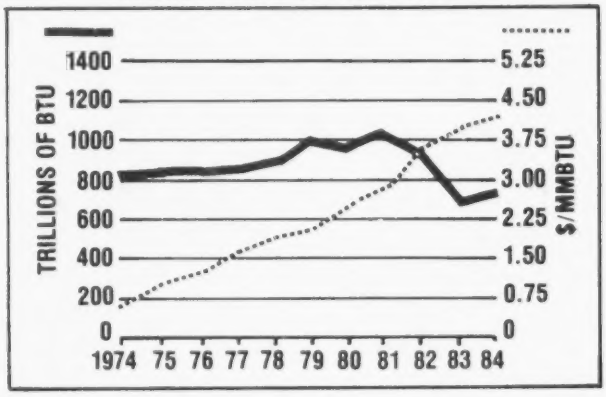
FIRST QUARTER GAS UTILITY SALES & PRICES

SALES ----- PRICES

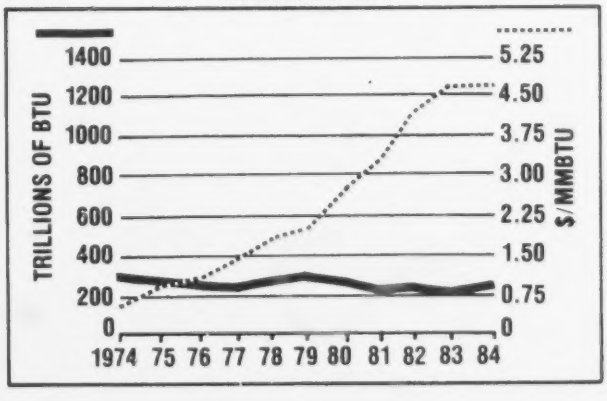
EAST SOUTH CENTRAL



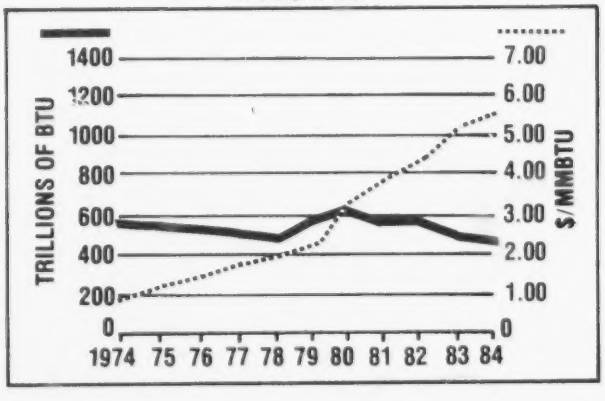
WEST SOUTH CENTRAL



MOUNTAIN



PACIFIC



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SECOND QUARTER 1984

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Part I. Gas Utility Industry Operating Trends

Income Statement

Total operating revenues for the twelve month period ending June 30, 1984 were $119,946 million, a 3.2 percent increase over the same period a year ago. At the same time, operating expenses rose 2.3 percent to $113,060 million. Total interest expense rose 2.5 percent during the period and net income rose 28.2 percent.

Prices

Average U.S. residential gas prices rose from $5.99/MMBtu in the second quarter 1983 to $6.05/MMBtu in the second quarter 1984, a 1.0 percent increase. Commercial gas prices decreased 0.7 percent while industrial prices declined 2.5 percent during the same period.

Customers, Sales, Revenues

The total number of customers in the second quarter 1984 increased 1.1 percent over the second quarter 1983 to 49,347,600.

Total sales in the second quarter 1984 increased 0.4 percent from the second quarter 1983, while the twelve months ending June 30, 1984 recorded an increase of 2.1 percent from the twelve months ending June 30, 1983.

Second quarter 1984 total revenues decreased 1.2 percent over the second quarter 1983, while total revenues for the twelve months ending June 30, 1984 increased 5.1 percent over the same period ending June 30, 1983.

See Table 1 and Table 2 for detailed data on sales, revenues and customers.

INVESTOR-OWNED GAS UTILITY INDUSTRY INCOME STATEMENT
(Millions of Dollars)

	Twelve Months Ended 6/30/84	6/30/83	Percent Change 6/30/83-84
Total Operating Revenues	$119,946	$116,272	+ 3.2
Operating Expenses:			
Operation Expenses	$100,394	$ 99,706	+ 0.7
Maintenance Expenses	1,589	1,555	+ 2.2
Depreciation, Retirement, Depletion, Amortization, etc.	3,391	3,096	+ 9.5
Federal Income Taxes	4,006	2,798	+ 43.2
All Other Taxes	3,680	3,379	+ 8.9
Total Operating Expenses	113,060	110,534	+ 2.3
Operating Income	6,886	5,738	+ 20.1
Other Income - Net	3,492	3,117	+ 12.0
Income Before Interest Charges	10,378	8,855	+ 17.2
Interest on Long-term Debt	3,202	3,097	+ 3.4
Other Interest Expense (Net)	686	697	- 1.6
Total Interest Expense	$ 3,888	$ 3,794	+ 2.5
Net Income	$ 6,490	$ 5,061	+ 28.2
Utility Plant Value	$ 83,326	$ 79,741	+ 4.5
Accumulated Provision for Depreciation	$ 34,747	$ 31,896	+ 8.9

Explanatory Notes

The gas utility industry is defined to be distribution and transmission companies. The income statement includes operations of mixed and manufactured gas utilities. Because this segment of the gas industry accounts for less than two percent of total operating revenues, the income statement can be considered to be representative of the natural gas utility industry.

The composite income account includes revenues from sales to ultimate consumers and from sales for resale. It should not be interpreted as a "net" or "consolidated" statement since the duplicative effect of including both pipeline sales for resale and distribution company sales to ultimate consumers has not been eliminated.

The data presented have been expanded from the reports received on the basis of their relationship to total industry data. For combination companies appropriate allocation of long-term debt interest and net income is made so that the data properly reflect the financial picture of distribution and pipeline company gas operations.

Although the composite income statement is confined to all investor-owned companies, municipal operations are included in the data for customers, sales and revenues of "Gas Utility Industry Operating Trends" reported in Part II. Totals may not equal the sum of their parts, due to independent rounding.

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Table 1—Gas Utility Industry Customers, Sales and Revenues, United States, Second Quarter 1984

	Quarter Ending June 30		Percent Change	Twelve Months Ending June 30		Percent Change
	1984	1983		1984	1983	
CUSTOMERS (Thousands)						
Residential	45,377.9	44,900.6	+ 1.1	SEE		
Commercial	3,741.5	3,684.8	+ 1.5			
Industrial	181.6	182.6	- 0.5		QUARTERLY	
Other	46.6	46.8	- 0.4			
TOTAL	49,347.6	48,814.8	+ 1.1			DATA
SALES (Trillions of Btu)						
Residential	891.8	934.9	- 4.6	4,692.0	4,423.3	+ 6.1
Commercial	462.7	477.4	- 3.1	2,411.3	2,318.9	+ 4.0
Industrial	1,463.3	1,393.5	+ 5.0	6,111.9	6,201.1	- 1.4
Other	28.6	30.2	- 5.3	142.4	144.0	- 1.1
TOTAL	2,846.4	2,836.0	+ 0.4	13,357.6	13,087.3	+ 2.1
REVENUES (Thousands $)						
Residential	5,397,491	5,598,036	- 3.6	27,648,059	25,202,947	+ 9.7
Commercial	2,565,281	2,665,010	- 3.7	13,283,037	12,333,574	+ 7.7
Industrial	6,316,330	6,176,141	+ 2.3	26,568,152	26,666,885	- 0.4
Other	133,919	147,958	- 9.5	685,057	697,835	- 1.8
TOTAL	14,413,021	14,587,145	- 1.2	68,184,305	64,901,241	+ 5.1

Table 2—Gas Utility Industry Customers, Sales and Revenues, By Division, Second Quarter 1984

NEW ENGLAND DIVISION

MIDDLE ATLANTIC DIVISION

EAST NORTH CENTRAL DIVISION

	NEW ENGLAND DIVISION			MIDDLE ATLANTIC DIVISION			EAST NORTH CENTRAL DIVISION		
	Quarter Ending June 30		Percent Change	Quarter Ending June 30		Percent Change	Quarter Ending June 30		Percent Change
	1984	1983		1984	1983		1984	1983	
CUSTOMERS (Thousands)									
Residential	1,659.2	1,643.9	+ 0.9	7,689.4	7,642.0	+ 0.6	10,186.0	10,123.2	+ 0.6
Commercial	136.9	133.3	+ 2.7	581.8	572.4	+ 1.6	806.5	798.4	+ 1.0
Industrial	8.9	9.0	- 0.8	22.7	22.9	- 0.9	47.5	47.1	+ 0.8
Other	4.0	4.1	- 2.2	10.3	10.5	- 1.5	3.9	3.9	+ 0.6
TOTAL	1,809.0	1,790.3	+ 1.0	8,304.2	8,247.8	+ 0.7	11,043.9	10,972.6	+ 0.7
SALES (Trillions of Btu)									
Residential	31.9	30.0	+ 6.5	153.4	148.7	+ 3.2	283.3	284.6	- 0.4
Commercial	17.9	17.4	+ 2.6	64.1	61.0	+ 5.1	126.5	125.4	+ 0.9
Industrial	30.6	23.1	+ 32.5	97.4	100.4	- 3.0	230.2	233.2	- 1.3
Other	0.9	0.7	+ 35.0	8.2	8.5	- 3.0	2.0	1.8	+ 11.2
TOTAL	81.3	71.2	+ 14.2	323.1	318.6	+ 1.4	642.0	645.0	- 0.5
REVENUES (Thousands $)									
Residential	250,592	258,983	- 3.2	1,053,993	1,055,259	- 0.1	1,596,140	1,643,134	- 2.9
Commercial	123,472	128,083	- 3.6	403,051	393,297	+ 2.5	643,959	664,355	- 3.1
Industrial	142,449	110,050	+ 29.4	502,230	525,896	- 4.5	1,020,497	1,120,440	- 8.9
Other	3,167	2,714	+ 16.7	46,184	50,419	- 8.4	10,896	10,183	+ 7.0
TOTAL	519,680	499,830	+ 4.0	2,005,458	2,024,871	- 1.0	3,271,492	3,438,112	- 4.8

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TABLE 2—CONTINUED

WEST NORTH CENTRAL DIVISION

SOUTH ATLANTIC DIVISION

EAST SOUTH CENTRAL DIVISION

	Quarter Ending June 30		Percent	Quarter Ending June 30		Percent	Quarter Ending June 30		Percent
	1984	1983	Change	1984	1983	Change	1984	1983	Change
CUSTOMERS (Thousands)									
Residential	3,892.1	3,870.8	+ 0.6	3,971.4	3,907.7	+ 1.6	2,061.8	2,038.2	+ 1.2
Commercial	409.1	403.1	+ 1.5	350.5	342.5	+ 2.3	209.0	205.3	+ 1.8
Industrial	12.9	13.0	- 0.6	14.6	14.2	+ 2.5	6.3	6.5	- 2.6
Other	1.5	1.8	- 15.6	5.3	5.4	- 2.7	10.5	10.1	+ 3.9
TOTAL	4,315.6	4,288.7	+ 0.6	4,341.8	4,269.8	+ 1.7	2,287.6	2,260.1	+ 1.2
SALES (Trillions of Btu)									
Residential	82.7	91.8	- 9.9	64.9	66.9	- 3.0	34.5	37.6	- 8.2
Commercial	50.1	53.9	- 7.0	50.9	49.5	+ 2.9	21.3	22.4	- 4.7
Industrial	98.2	93.2	+ 5.4	153.9	143.7	+ 7.1	96.7	82.6	+ 17.1
Other	1.6	1.5	+ 9.8	1.6	1.6	+ 2.7	2.8	2.8	- 0.8
TOTAL	232.6	240.4	- 3.2	271.3	261.7	+ 3.7	155.3	145.4	+ 6.8
REVENUES (Thousands $)									
Residential	480,921	519,073	- 7.3	440,061	450,006	- 2.2	190,973	214,625	- 11.0
Commercial	262,437	276,657	- 5.1	294,044	290,299	+ 1.3	105,188	118,056	- 10.9
Industrial	382,799	382,455	+ 0.1	665,588	634,558	+ 4.9	362,577	358,880	+ 1.0
Other	5,120	5,059	+ 1.2	7,136	7,715	- 7.5	12,172	13,131	- 7.3
TOTAL	1,131,277	1,183,244	- 4.4	1,406,829	1,382,578	+ 1.8	670,910	704,692	- 4.8

WEST SOUTH CENTRAL DIVISION

MOUNTAIN DIVISION

PACIFIC DIVISION

	Quarter Ending June 30		Percent	Quarter Ending June 30		Percent	Quarter Ending June 30		Percent
	1984	1983	Change	1984	1983	Change	1984	1983	Change
CUSTOMERS (Thousands)									
Residential	5,301.2	5,253.4	+ 0.9	2,664.5	2,605.1	+ 2.3	7,952.3	7,816.3	+ 1.7
Commercial	481.9	477.5	+ 0.9	273.1	268.6	+ 1.7	492.7	483.7	+ 1.9
Industrial	23.0	23.6	- 2.4	6.9	7.2	- 3.9	38.8	39.1	- 0.8
Other	7.6	7.4	+ 2.6	3.1	3.1	+ 1.3	0.4	0.5	- 16.0
TOTAL	5,813.7	5,761.9	+ 0.9	2,947.6	2,884.0	+ 2.2	8,484.2	8,339.6	+ 1.7
SALES (Trillions of Btu)									
Residential	63.9	82.5	- 22.5	53.4	58.8	- 9.2	123.8	134.0	- 7.6
Commercial	42.7	48.6	- 12.1	34.4	37.2	- 7.6	54.8	62.0	- 11.6
Industrial	456.4	472.3	- 3.4	58.8	55.5	+ 6.0	241.1	189.5	+ 27.2
Other	8.0	9.4	- 14.7	2.9	3.3	- 11.7	0.6	0.6	- 3.7
TOTAL	571.0	612.8	- 6.8	149.5	154.8	- 3.4	420.3	386.1	+ 8.9
REVENUES (Thousands $)									
Residential	353,228	441,039	- 19.9	301,417	313,226	- 3.8	730,166	702,691	+ 3.9
Commercial	202,633	233,126	- 13.1	175,667	187,159	- 6.1	354,830	373,978	- 5.1
Industrial	1,756,677	1,848,161	- 4.9	241,796	221,729	+ 9.1	1,241,717	973,972	+ 27.5
Other	31,445	39,605	- 20.6	13,741	14,887	- 7.7	4,058	4,245	- 4.4
TOTAL	2,343,983	2,561,931	- 8.5	732,621	737,001	- 0.6	2,330,771	2,054,886	+ 13.4

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Average Gas Prices for the Second Quarter 1984

($/MMBtu)

	Residential		Commercial		Industrial	
	2nd Qtr 1984	Percent Change*	2nd Qtr 1984	Percent Change*	2nd Qtr 1984	Percent Change*
US	6.05	+ 1.0	5.54	- 0.7	4.32	- 2.5
NE	7.85	- 9.0	6.91	- 6.1	4.66	- 2.1
MA	6.87	- 3.2	6.29	- 2.5	5.16	- 1.5
ENC	5.63	- 2.4	5.09	- 4.0	4.43	- 7.7
WNC	5.82	+ 3.0	5.23	+ 2.0	3.90	- 4.9
SA	6.78	+ 0.7	5.77	- 1.5	4.32	- 2.3
ESC	5.53	- 3.1	4.93	- 6.4	3.75	- 13.6
WSC	5.53	+ 3.4	4.75	- 1.0	3.85	- 1.5
M	5.64	+ 5.8	5.11	+ 1.6	4.11	+ 2.8
P	5.90	+ 12.6	6.48	+ 7.5	5.15	+ 0.2

*Compared with the same quarter in 1983.

Average Gas Prices for the Year Ending June 30, 1984

($/MMBtu)

	Residential		Commercial		Industrial	
	Price	Percent Change*	Price	Percent Change*	Price	Percent Change*
US	5.89	+ 3.3	5.51	+ 3.6	4.35	+ 1.2
NE	7.76	- 8.3	6.88	- 2.4	4.86	- 9.5
MA	6.90	+ 0.4	6.26	+ 4.0	5.16	+ 2.0
ENC	5.59	+ 4.5	5.17	+ 4.0	4.58	+ 1.6
WNC	5.46	+ 0.9	5.00	+ 2.7	4.02	- 1.0
SA	6.62	+ 5.4	5.83	+ 5.0	4.40	+ 2.1
ESC	5.37	- 1.6	4.96	- 2.2	4.00	- 3.8
WSC	5.21	+ 2.6	4.86	+ 4.3	3.79	+ 0.5
M	5.18	- 0.6	5.02	- 0.2	4.04	+ 3.1
P	5.64	+ 12.1	6.44	+ 11.0	5.19	- 0.4

*Compared with the same year ending, June 30, 1983.

APPLIANCE AND HOUSING STATISTICS

(Thousands)

APPLIANCE SHIPMENTS	1984 Second Quarter	Percent Change[a]	Past Twelve Months	Percent Change[b]
Central Heating Equipment				
Warm Air Furnaces				
Gas	371.7	+ 15.5	1,758.3	+ 26.1
Oil[c]	18.6	- 2.1	137.4	+ 23.8
Electric	103.9	+ 4.6	371.6	+ 43.9
Boilers				
Gas	30.1	+ 21.9	157.9	+ 5.5
Oil[c]	18.6	- 2.1	84.8	+ 7.6
Other Gas Heating Equipment				
Wall Furnaces	31.0	+ 5.5	169.7	+ 11.2
Floor Furnaces	3.2	- 3.0	19.3	- 1.0
Recreational Vehicle Heating Systems	60.2	+ 13.1	200.7	+ 43.3
Major Appliances				
Residential Ranges				
Gas	422.9	+ 3.1	1,650.7	+ 14.3
Electric	764.5	+ 9.2	2,966.8	+ 24.4
Residential Water Heaters				
Gas[c]	890.3	+ 7.9	3,360.4	+ 8.9
Electric[c]	915.9	+ 14.0	3,385.1	+ 16.8
Commercial Water Heaters				
Gas[c]	58.6	+ 17.2	196.6	+ 14.8
Electric[c]	5.4	+ 15.2	20.4	+ 9.7
Clothes Dryers				
Gas	163.1	+ 5.0	715.7	+ 15.5
Electric	649.4	+ 3.6	2,799.6	+ 19.3
HOUSING				
Total Housing Starts	537.0	+ 11.0	1,791.0	+ 26.4
Single-Family Starts	333.0	+ 3.4	1,113.0	+ 24.2
Total Housing Completions (private)	425.0	+ 33.2	1,590.0	+ 42.2
Mobile Home Shipments	82.0	+ 1.2	301.0	+ 21.4

[a]Compared with same period in 1983.

[b]Past twelve months compared with same period a year ago.

[c]Data not expanded.

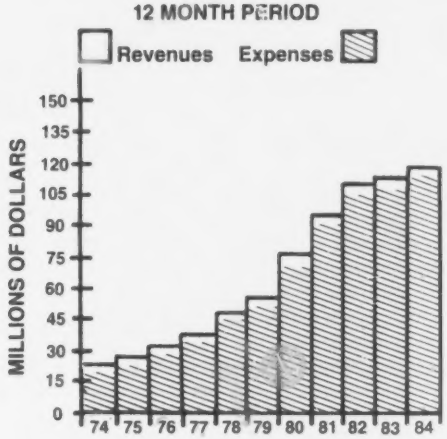
Sources: Gas Appliance Manufacturers Association, Statistical Highlights.
U.S. Department of Commerce, Housing Starts and Housing Completions.

Part II. Gas Utility Industry Historical Trends

Second Quarter Select Statistics

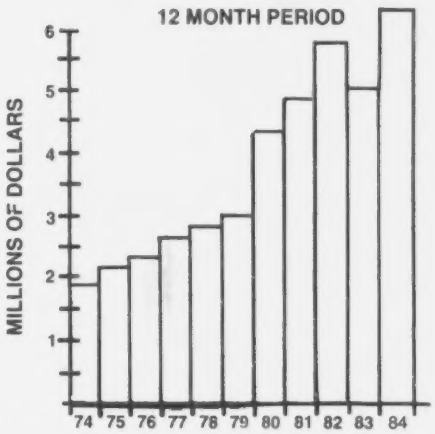
TOTAL OPERATING REVENUES & EXPENSES

12 MONTH PERIOD

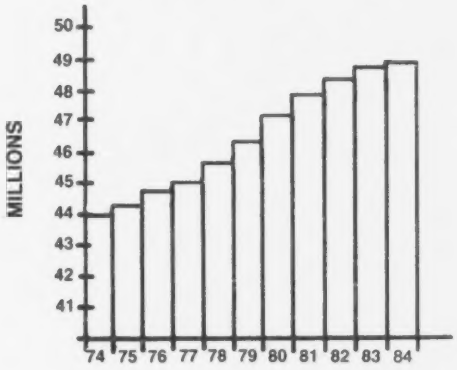


NET INCOME

12 MONTH PERIOD

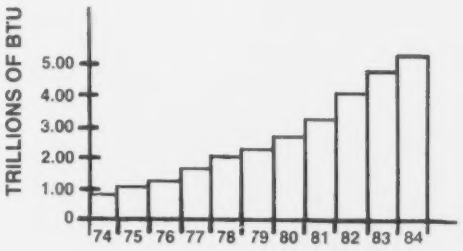


TOTAL GAS CUSTOMERS

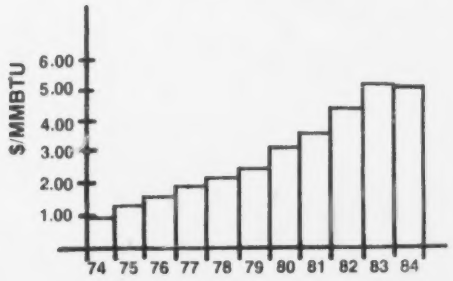


TOTAL INDUSTRY PRICES

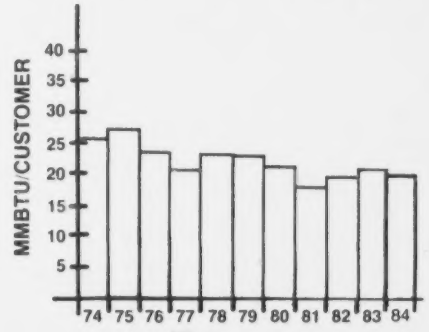
12 MONTH PERIOD



TOTAL INDUSTRY PRICES

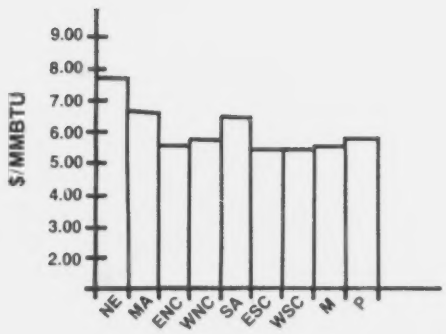


RESIDENTIAL CONSUMPTION

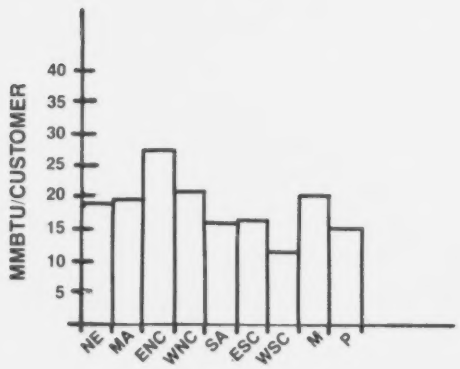


Second Quarter Select Statistics

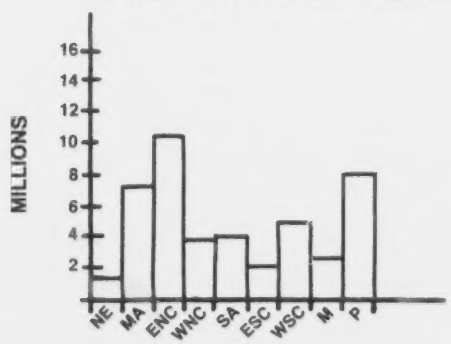
RESIDENTIAL PRICES



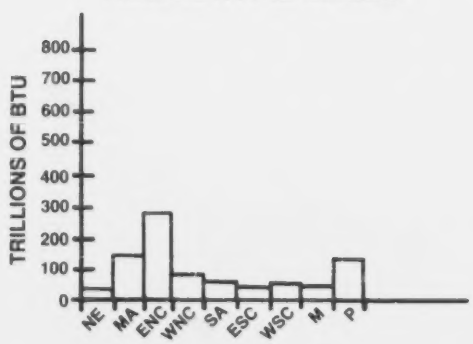
RESIDENTIAL CONSUMPTION



RESIDENTIAL CUSTOMERS

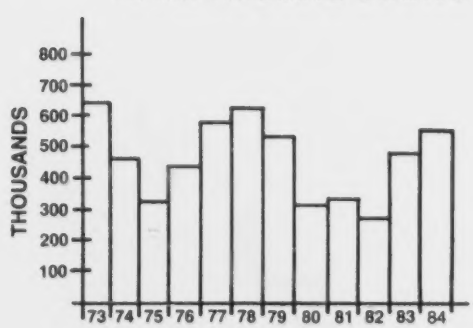


RESIDENTIAL SALES



INDUSTRIAL SALES

TOTAL HOUSING STARTS*



*Dept. of Commerce Housing Starts

AMERICAN GAS ASSOCIATION

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